

Dr Vince Cable is the Secretary of State for Business, Innovation and Skills

I have always been an old-fashioned, unreconstructed, believer in free trade. In my view, trade benefits all countries, spreads the interchange of technology, fosters good practice and stimulates competition. In essence, it is about breaking down the barriers and providing the most conducive environment from which to do business.

That's why I very much welcome this week's coming into force of the EU/Korea Free Trade Agreement (FTA), undoubtedly one of the most ambitious trade agreements between nations in recent history. Not only will it improve the way business is undertaken for UK firms trading in Korea - providing real market access - it will also unlock a wealth of exciting and lucrative opportunities for these firms to tap into.

Korea has often been overlooked as a place to do business for many UK companies, which have tended to focus on Korea's powerhouse neighbours, China and Japan. Yet what I found during my visit to Korea in late May was a vibrant, resilient, well-educated and dynamic economy, which offers countless opportunities for firms of all sizes and across a number of sectors, from ICT through to life sciences. And UK firms cannot afford to miss out.

We only have to look at the facts and figures to realise the huge potential that Korea offers. Home to 50 million people generating GNP of US\$ 1 trillion, Korea is the world's twelfth largest economy (it grew at 6 per cent in 2010) and the fourth largest in Asia. It boasts an affluent, sophisticated and globally aware consumer base, many of whom have an appetite for high-end British goods. Bilateral trade is already at an impressive £10 billion in 2010. And now the FTA is set to boost this significantly - potentially benefiting UK firms by some £500 million annually.

There's another very good reason for UK firms to do business in Korea. We are in many ways a natural fit. UK innovation blends beautifully with Korean know-how and cutting-edge capabilities. The UK has some of the best animation content in the world, for example, while Korea has highly-skilled graphic artists. Korean companies are also world leaders in construction, shipping and offshore oil and gas and the UK is leading the way in developing green technologies and creating the infrastructure for a low carbon economy. And UK expertise is well placed to match Korea's rising

